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SUBSTITUTE FOR

HOUSE BILL NO. 4347

A bill to make appropriations for the department of history, arts, and libraries for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to provide for the disposition of fees and other income received by the state agencies; to create funds; to provide for the disbursement of certain grants; to provide for reports; to prescribe powers and duties of certain state departments and certain state and local agencies and officers; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

Sec. 101. Subject to the conditions set forth in this act, the



1 amounts listed in this part are appropriated for the department of
 2 history, arts, and libraries for the fiscal year ending September
 3 30, 2008, from the funds indicated in this part. The following is a
 4 summary of the appropriations in this part:

5 **DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES**

6 APPROPRIATION SUMMARY:

7	Full-time equated unclassified positions	6.0	
8	Full-time equated classified positions	228.0	
9	GROSS APPROPRIATION		\$ 77,564,500
10	Total interdepartmental grants and intradepartmental		
11	transfers		139,200
12	ADJUSTED GROSS APPROPRIATION		\$ 77,425,300
13	Total federal revenues		7,307,400
14	Total local revenues		0
15	Total private revenues		112,400
16	State services fee fund		12,300
17	Total other state restricted revenues		2,645,600
18	State general fund/general purpose		\$ 67,359,900
19	Sec. 102. DEPARTMENT OPERATIONS		
20	Full-time equated unclassified positions	6.0	
21	Full-time equated classified positions	32.0	
22	Unclassified salaries		\$ 222,300
23	Management services--31.0 FTE positions		2,786,400
24	Building occupancy charges and rent		3,277,800
25	Worker's compensation		9,000
26	Office of film and television services--1.0 FTE		
27	position		180,300



1	Human resources optimization user charges	<u>16,500</u>
2	GROSS APPROPRIATION	\$ 6,492,300
3	Appropriated from:	
4	State general fund/general purpose	\$ 6,492,300
5	Sec. 103. INFORMATION TECHNOLOGY	
6	Information technology services and projects	\$ <u>1,091,800</u>
7	GROSS APPROPRIATION	\$ 1,091,800
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	Special revenue funds:	
11	Mackinac Island state park fund	47,000
12	State general fund/general purpose	\$ 1,044,800
13	Sec. 104. MICHIGAN COUNCIL FOR ARTS AND CULTURAL	
14	AFFAIRS	
15	Full-time equated classified positions 3.0	
16	Administration--3.0 FTE positions	\$ 241,900
17	Grant to the Detroit zoological society	12,000,000
18	Grant to the Detroit historical society	1,900,000
19	Grant to the Detroit institute of arts	10,000,000
20	Arts and cultural grants	<u>10,144,300</u>
21	GROSS APPROPRIATION	\$ 34,286,200
22	Appropriated from:	
23	Federal revenues:	
24	NFAH-NEA, promotion of the arts, partnership	
25	agreements.....	700,000
26	State general fund/general purpose	\$ 33,586,200
27	Sec. 105. MACKINAC ISLAND STATE PARK COMMISSION	



1	Full-time equated classified positions	39.0	
2	Mackinac Island park operation--24.3 FTE positions ...	\$	1,544,100
3	Historical facilities system--14.7 FTE positions		<u>1,934,500</u>
4	GROSS APPROPRIATION	\$	3,478,600
5	Appropriated from:		
6	Interdepartmental grant revenues:		
7	Federal revenues:		
8	Federal funds		200,000
9	Special revenue funds:		
10	Mackinac Island state park fund		1,566,000
11	Mackinac Island state park operation fund		160,200
12	State general fund/general purpose	\$	1,552,400
13	Sec. 106. MICHIGAN HISTORICAL PROGRAM		
14	Full-time equated classified positions	83.0	
15	Federal programs--12.0 FTE positions	\$	850,000
16	Heritage publications		700,000
17	Historical administration and services--71.0 FTE		
18	positions.....		5,812,800
19	Private grants and gifts		112,400
20	Thunder Bay national marine sanctuary and underwater		
21	preserve.....		<u>202,000</u>
22	GROSS APPROPRIATION	\$	7,677,200
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG-MDOT, comprehensive transportation fund		3,800
26	IDG-MDOT, state aeronautics fund		2,300
27	IDG-MDOT, state trunkline fund		133,100



1	Federal revenues:	
2	DOI-NPS, historic preservation grants-in-aid	850,000
3	Special revenue funds:	
4	Private - grants and gifts	10,000
5	Private - Mann house trust fund	102,400
6	Game and fish protection fund	3,700
7	Heritage publication fund	700,000
8	Marine safety fund	400
9	Special revenue, internal service and pension trust ..	49,200
10	State lottery fund	19,100
11	State services fee fund	12,300
12	Waterways fund	800
13	State general fund/general purpose	\$ 5,790,100
14	Sec. 107. LIBRARY OF MICHIGAN	
15	Full-time equated classified positions	71.0
16	Book distribution centers	\$ 350,000
17	Collected gifts and fees	86,900
18	Library of Michigan operations--71.0 FTE positions ...	5,896,100
19	Library services and technology act	5,557,400
20	State aid to libraries	12,143,000
21	Subregional state aid	<u>505,000</u>
22	GROSS APPROPRIATION	\$ 24,538,400
23	Appropriated from:	
24	Federal revenues:	
25	Library services and technology act	5,557,400
26	Special revenue funds:	
27	User fees	86,900



1 State general fund/general purpose \$ 18,894,100

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 GENERAL SECTIONS

5 Sec. 201. Pursuant to section 30 of article IX of the state
6 constitution of 1963, total state spending from state resources
7 under part 1 for fiscal year 2007-2008 is \$70,005,500.00 and state
8 spending from state resources to be paid to local units of
9 government for fiscal year 2007-2008 is \$14,058,900.00. The
10 itemized statement below identifies appropriations from which
11 spending to units of local government will occur:

12 DEPARTMENT OF HISTORY, ARTS, AND LIBRARIES

13	Arts and cultural grants	\$	1,410,900
14	State aid to libraries		12,143,000
15	Subregional state aid		<u>505,000</u>
16	Total department of history, arts, and libraries	\$	14,058,900

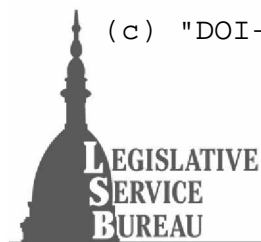
17 Sec. 202. The appropriations authorized under this act are
18 subject to the management and budget act, 1984 PA 431, MCL 18.1101
19 to 18.1594.

20 Sec. 203. As used in this appropriation act:

21 (a) "Department" means the department of history, arts, and
22 libraries.

23 (b) "Director" means the director of the department of
24 history, arts, and libraries.

25 (c) "DOI-NPS" means the United States department of interior,



1 national park service.

2 (d) "Fiscal agencies" means the house fiscal agency and the
3 senate fiscal agency.

4 (e) "FTE" means full-time equated.

5 (f) "IDG" means interdepartmental grant.

6 (g) "MCACA" means the Michigan council for arts and cultural
7 affairs.

8 (h) "MDOT" means the Michigan department of transportation.

9 (i) "NEA" means the national endowment for the arts.

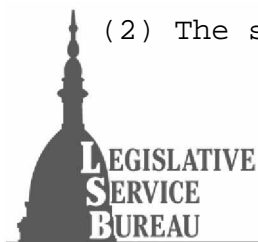
10 (j) "NFAH" means the national foundation of the arts and the
11 humanities.

12 (k) "Subcommittees" means all members of the appropriate
13 subcommittees of the senate and house of representatives
14 appropriations committees.

15 Sec. 204. The department of civil service shall bill the
16 departments and agencies at the end of the first fiscal quarter for
17 the 1% charge authorized by section 5 of article XI of the state
18 constitution of 1963. Payments shall be made for the total amount
19 of the billing by the end of the second fiscal quarter.

20 Sec. 205. (1) A hiring freeze is imposed on the state
21 classified civil service. State departments and agencies are
22 prohibited from hiring any new full-time state classified civil
23 service employees and prohibited from filling any vacant state
24 classified civil service positions. This hiring freeze does not
25 apply to internal transfers of classified employees from 1 position
26 to another within a department.

27 (2) The state budget director may grant exceptions to this



1 hiring freeze when the state budget director believes that the
2 hiring freeze will result in rendering a state department or agency
3 unable to deliver basic services, cause a loss of revenue to the
4 state, result in the inability of the state to receive federal
5 funds, or would necessitate additional expenditures that exceed any
6 savings from maintaining a vacancy. The state budget director shall
7 report quarterly to the chairpersons of the senate and house of
8 representatives standing committees on appropriations the number of
9 exceptions to the hiring freeze approved during the previous
10 quarter and the reasons to justify the exception.

11 Sec. 208. Unless otherwise specified, the department shall use
12 the Internet to fulfill the reporting requirements of this act.
13 This requirement may include transmission of reports via electronic
14 mail to the recipients identified for each reporting requirement,
15 or it may include placement of reports on an Internet or Intranet
16 site.

17 Sec. 209. Funds appropriated in part 1 shall not be used for
18 the purchase of foreign goods or services, or both, if
19 competitively priced and of comparable quality American goods or
20 services, or both, are available. Preference should be given to
21 goods or services, or both, manufactured or provided by Michigan
22 businesses if they are competitively priced and of comparable
23 quality.

24 Sec. 211. The department shall establish and maintain
25 affirmative action programs based on guidelines developed by the
26 state equal opportunity workforce planning council which was
27 created by Executive Order No. 1996-13 in order to receive general



1 fund/general purpose dollars.

2 Sec. 213. From the funds appropriated in part 1 for
3 information technology, departments and agencies shall pay user
4 fees to the department of information technology for technology-
5 related services and projects. The user fees shall be subject to
6 provisions of an interagency agreement between the departments and
7 agencies and the department of information technology.

8 Sec. 214. Amounts appropriated in part 1 for information
9 technology may be designated as work projects and carried forward
10 to support technology projects under the direction of the
11 department of information technology. Funds designated in this
12 manner are not available for expenditure until approved as work
13 projects under section 451a of the management and budget act, 1984
14 PA 431, MCL 18.1451a.

15 Sec. 215. (1) The department may provide and enter into
16 agreements to provide general services, training, meetings,
17 information, special equipment, software, and facility use, and
18 technical consulting services to other principal executive
19 departments, state agencies, local units of government, the
20 judicial branch of government, other organizations, and patrons of
21 department facilities. Fees for services shall be reasonably
22 related to the cost of providing the services and shall be used to
23 offset the costs of the services. The department may receive and
24 expend funds in addition to those authorized in part 1 for the
25 following:

26 (a) Supplying census-related information and technical
27 services, publications, statistical studies, population projections



1 and estimates, and other demographic products.

2 (b) Microfilming and other document and data imaging services,
3 media, storage, and copies.

4 (c) Patron copier and document reproduction services and
5 copies.

6 (d) Conferences, training classes, exhibits, programs, and
7 workshops conducted as part of the department's mission.

8 (e) Use of specialized equipment, facilities, and software
9 that permit distance learning and meetings, and group decision
10 making.

11 (f) Special services including the rental of department
12 exhibits and collections.

13 (g) Application fees.

14 (h) Grants, gifts, and bequests, including those for capital
15 projects.

16 (2) The funds received under this section shall be deposited
17 in and expended from the history, arts, and libraries fund
18 established in section 216 of this article.

19 Sec. 216. (1) A fund known as the history, arts, and libraries
20 fund is created in the department. The fund shall be used to
21 receive and expend funds in addition to those authorized in part 1.
22 The fund balance may be carried forward for expenditure in
23 subsequent fiscal years.

24 (2) The department shall provide a report to the senate and
25 house of representatives appropriations subcommittees on history,
26 arts, and libraries of all revenues to and expenditures from the
27 history, arts, and libraries fund. The report shall include an



1 estimated fund balance for the fiscal year ending September 30,
2 2008. The report is due November 1, 2008.

3 Sec. 217. (1) Due to the current budgetary problems in this
4 state, out-of-state travel for the fiscal year ending September 30,
5 2008 shall be limited to situations in which 1 or more of the
6 following conditions apply:

7 (a) The travel is required by legal mandate or court order or
8 for law enforcement purposes.

9 (b) The travel is necessary to protect the health or safety of
10 Michigan citizens or visitors or to assist other states in similar
11 circumstances.

12 (c) The travel is necessary to produce budgetary savings or to
13 increase state revenues, including protecting existing federal
14 funds or securing additional federal funds.

15 (d) The travel is necessary to comply with federal
16 requirements.

17 (e) The travel is necessary to secure specialized training for
18 staff that is not available within this state.

19 (f) The travel is financed entirely by federal or nonstate
20 funds.

21 (2) If out-of-state travel is necessary but does not meet 1 or
22 more of the conditions in subsection (1), the state budget director
23 may grant an exception to allow the travel. Any exceptions granted
24 by the state budget director shall be reported on a monthly basis
25 to the senate and house of representatives appropriations
26 committees.

27 (3) Not later than January 1 of each year, each department



1 shall prepare a travel report listing all travel by classified and
2 unclassified employees outside this state in the immediately
3 preceding fiscal year that was funded in whole or in part with
4 funds appropriated in the department's budget. The report shall be
5 submitted to the chairs and members of the senate and house of
6 representatives appropriations committees, the fiscal agencies, and
7 the state budget director. The report shall include the following
8 information:

9 (a) The name of each person receiving reimbursement for travel
10 outside this state or whose travel costs were paid by this state.

11 (b) The destination of each travel occurrence.

12 (c) The dates of each travel occurrence.

13 (d) A brief statement of the reason for each travel
14 occurrence.

15 (e) The transportation and related costs of each travel
16 occurrence, including the proportion funded with state general
17 fund/general purpose revenues, the proportion funded with state
18 restricted revenues, the proportion funded with federal revenues,
19 and the proportion funded with other revenues.

20 (f) A total of all out-of-state travel funded for the
21 immediately preceding fiscal year.

22 Sec. 218. It is the intent of the legislature to explore
23 supplemental fund sourcing options for the department of history,
24 arts, and libraries.

25 Sec. 219. The department shall not take disciplinary action
26 against an employee for communicating with a member of the
27 legislature or his or her staff.



1 Sec. 222. The director shall take all reasonable steps to
2 ensure businesses in deprived and depressed communities compete for
3 and perform contracts to provide services or supplies, or both. The
4 director shall strongly encourage firms with which the department
5 contracts to subcontract with certified businesses in depressed and
6 deprived communities for services, supplies, or both.

7 Sec. 223. (1) In addition to the funds appropriated in part 1,
8 there is appropriated an amount not to exceed \$2,000,000.00 for
9 federal contingency funds. These funds are not available for
10 expenditure until they have been transferred to another line item
11 in this act under section 393(2) of the management and budget act,
12 1984 PA 431, MCL 18.1393.

13 (2) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$1,000,000.00 for state
15 restricted contingency funds. These funds are not available for
16 expenditure until they have been transferred to another line item
17 in this act under section 393(2) of the management and budget act,
18 1984 PA 431, MCL 18.1393.

19 (3) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$100,000.00 for local
21 contingency funds. These funds are not available for expenditure
22 until they have been transferred to another line item in this act
23 under section 393(2) of the management and budget act, 1984 PA 431,
24 MCL 18.1393.

25 (4) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$750,000.00 for private
27 contingency funds. These funds are not available for expenditure



1 until they have been transferred to another line item in this act
2 under section 393(2) of the management and budget act, 1984 PA 431,
3 MCL 18.1393.

4 Sec. 224. There is appropriated \$200,000.00 from the Mackinac
5 Island state park operation fund to the Mackinac Island state park
6 commission, historic projects division, revenue bond fund for
7 infrastructure improvements. These funds shall be used for the
8 following:

9 (a) To match state grants for road repair.

10 (b) To match federal grants to acquire 2 snowplow trucks for
11 Mackinac Island state park.

12 (c) To make major repairs at the historic mill creek sawmill.

13 (d) To make repairs and improvements at the Michilimackinac
14 state park visitors center, including a new roof, repaving the
15 parking lot, and new signage.

16 (e) To replace an obsolete forklift and tractor.

17 **MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS**

18 Sec. 401. (1) The MCACA in the department shall administer the
19 arts and cultural grants appropriated in part 1.

20 (2) The MCACA shall render fair and independent decisions
21 concerning arts and cultural grant requests and shall do all of the
22 following:

23 (a) Use published criteria to evaluate program quality,
24 including all of the following:

25 (i) The department's intended goals and outcomes for each
26 program.



1 (ii) The department's quantifiable measures of success in
2 meeting the intended goals and outcomes.

3 (b) Seek to award grants on an equitable geographic basis to
4 the extent possible given the quality of grant applications
5 received.

6 (c) Give priority to projects that serve multiple counties,
7 leverage significant additional public and private investment, or
8 demonstrate a significant potential to increase tourism or attract
9 or retain businesses or residents.

10 (3) No payment shall be made under part 1 except upon
11 application submitted in accordance with MCACA published
12 regulations and procedures, which shall ensure both of the
13 following:

14 (a) Artistic excellence and artistic merit are the criteria by
15 which applications will be judged, taking into consideration
16 general standards of decency and respect for the diverse beliefs
17 and values of the people of this state.

18 (b) Criteria clearly indicate that obscenity is without
19 artistic merit, is not protected speech, and will not be funded by
20 a grant from appropriations under part 1.

21 (4) The MCACA shall provide for fair, equitable, and efficient
22 distribution of funds granted through the regional regranting
23 program. The MCACA shall provide for an annual assessment of grant
24 management and distribution of mini-grant awards by designated
25 regional regranting agencies and review the methodology employed.

26 (5) The MCACA shall continue and expand its efforts to
27 encourage and support nonprofit arts and cultural organizations to



1 transition from solely volunteer-based organizations to
2 professionally directed operations. Criteria for support include
3 the requirement of collaboration between these organizations and
4 other community organizations.

5 (6) The department shall withhold undistributed grant payments
6 from a grant recipient who violates the terms of the agreement
7 required under subsection (3) and may disqualify the grant
8 recipient from award of future grants for a period of not more than
9 3 years.

10 Sec. 402. The MCACA may award grants to counties, cities,
11 villages, townships, community foundations and organizations in the
12 following categories:

13 (a) Anchor organization program for organizations that serve
14 regional and statewide audiences. Anchor organizations shall
15 demonstrate a commitment to education, to mentoring smaller
16 organizations, and to reaching underserved audiences.

17 (b) Arts projects program.

18 (c) Arts and learning program.

19 (d) Artists in residence for education program.

20 (e) Arts organization development program.

21 (f) Capital improvement program.

22 (g) Local arts agencies services program.

23 (h) Regional regranting program.

24 (i) Partnership program.

25 (j) Rural arts and cultural program.

26 (k) Cultural projects program.

27 (l) Historical projects program.



1 (m) Discretionary grants program.

2 (n) Cultural and ethnic heritage centers and museums.

3 Sec. 403. (1) From the state funds appropriated in part 1 for
4 arts and cultural grants, no one organization may receive more than
5 16% of this funding.

6 (2) The MCACA shall make every effort to provide total grant
7 awards in the anchor organization program at a level not to exceed
8 70% of the total amount appropriated for arts and cultural grants.

9 (3) As documented in the audit report that is submitted as
10 part of the grant application process, the total of all grants
11 awarded to any organization receiving grants within the anchor
12 organization program may not exceed 15% of their "total
13 unrestricted revenues, gains, and other support", as defined by the
14 financial accounting standards board in the accounting standards
15 for not-for-profit organizations or equivalent accounting standards
16 for other types of eligible organizations.

17 (4) Before any amount appropriated for arts and cultural
18 grants in part 1 may be expended for a grant to an eligible
19 recipient, the department shall execute a grant agreement with the
20 recipient. The grant agreement shall identify the projects funded,
21 specify the category in section 402 under which the grant is
22 awarded, and include the prohibitions and sanctions identified in
23 section 401(3) and (6).

24 Sec. 404. Grant applicants must meet and adhere to the
25 following requirements:

26 (a) Each applicant shall pay a nonrefundable application fee
27 of \$300.00 or 3% of the desired grant amount, whichever is less.



1 Application fees shall be deposited in the history, arts, and
2 libraries fund established in section 216. The department may use
3 the application fee to offset its direct and indirect costs.

4 (b) An applicant for a grant under the anchor organization
5 program shall submit with the application the applicant's most
6 recent annual audit report which states their "total unrestricted
7 revenues, gains, and other support", as defined by the financial
8 accounting standards board in the accounting standards for not-for-
9 profit organizations or equivalent accounting standards for other
10 types of eligible organizations. The audit report must cover an
11 audit period that ends within 18 months of the date of the
12 application.

13 (c) Each applicant shall identify proposed matching funds from
14 local and/or private sources on a minimum of a dollar-for-dollar
15 basis. The match may include the reasonable value of services,
16 materials, and equipment as allowed under the federal internal
17 revenue code for charitable contributions.

18 Sec. 405. Each grant recipient shall provide the MCACA with
19 the following:

20 (a) Proof of the entire amount of the matching funds,
21 services, materials, or equipment by the end of the award period.

22 (b) Within 30 days following the end of the grant period, a
23 final report that includes the following:

24 (i) Project revenues and expenditures including grant matching
25 fund amounts.

26 (ii) Number of patrons attracted or benefiting during the grant
27 period.



(iii) A narrative summary of each project and its outcome, including all of the following:

(A) How the project supported achieving the department's intended goals and outcomes for each program.

(B) How the project met the quantifiable measures of success in meeting the goals and outcomes.

(c) By April 7 of the grant year, each recipient of a grant greater than \$100,000.00 shall submit an interim report that includes the items identified in subdivision (b).

Sec. 406. (1) The department shall make the following reports:

(a) A report identifying the website location that contains a list of all grant recipients, sorted by county. This report shall be provided to each legislator within 1 business day of the announcement of annual awards by the MCACA.

(b) A report to the senate and house of representatives appropriations subcommittees, the state budget office, and the fiscal agencies, within 30 days after the MCACA announces the annual grant awards, that includes all of the following:

(i) A listing of each applicant.

(ii) The county of residence of the applicant.

(iii) The amount requested.

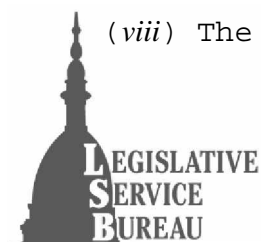
(iv) The amount awarded.

(v) The grant category under which an applicant applied.

(vi) A summary of projects funded for each recipient.

(vii) The expected number of patrons for an applicant during the grant period.

(viii) The amount of matching funds proposed by each applicant.



1 (ix) A listing containing the applicant, county of residence of
2 the applicant, and amount awarded for any regranted funds in the
3 preceding fiscal year.

4 (c) An annual report to the appropriations subcommittees, the
5 state budget office, and the fiscal agencies is due when materials
6 are first distributed by the MCACA seeking grant applications for
7 the subsequent fiscal year. The report shall contain the following:

8 (i) The MCACA guidelines for awarding grants, including the
9 intended program goals and outcomes and quantifiable measures of
10 success in meeting the goals and outcomes.

11 (ii) A summary of any changes in the program guidelines from
12 the previous fiscal year.

13 (d) An annual report to the appropriations subcommittees, the
14 state budget office, and the fiscal agencies on the success in
15 meeting program goals and outcomes for the preceding fiscal year.
16 The report is due by February 1 and shall contain all of the
17 following:

18 (i) The MCACA intended program goals and outcomes.

19 (ii) A summary by program of performance according to the
20 established quantifiable measures of success for meeting intended
21 goals and outcomes.

22 (iii) The reasons why outcomes or goals were not met.

23 (iv) The plans for better achieving the outcomes and goals in
24 the future.

25 (2) The council shall report to the chairpersons of the senate
26 and house of representatives appropriations subcommittees on
27 history, arts, and libraries by August 1 all unexpended or



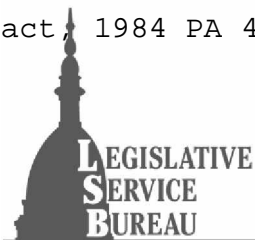
unencumbered discretionary grant funding that is available. The council shall not redistribute any unexpended or unencumbered grant funds during the fiscal year without a 10-day notice to the chairpersons of the senate and house of representatives appropriations subcommittees on history, arts, and libraries.

MICHIGAN HISTORICAL PROGRAM

Sec. 501. The federal funds appropriated in part 1 for the historic site preservation grants are for work projects and shall not lapse at the end of the fiscal year but shall continue to be available for expenditure until the projects for which the funds were reserved have been completed or are terminated. The purpose of these work projects is the identification, designation, and preservation of historic resources. The method used will be to solicit applications, score applications based upon established criteria, and award subgrants. The department shall execute a grant agreement with each recipient. The total cost is \$85,000.00, and the tentative completion date is September 30, 2008.

Sec. 502. Funds collected by the department under sections 6, 7, and 7a of 1913 PA 271, MCL 399.6, 399.7, and 399.7a, are appropriated to the department for the purposes for which they were received, are allocated for expenditure upon receipt and may be carried forward for expenditure in subsequent fiscal years.

Sec. 503. For the purposes of administering the museum store as provided in section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.



1 Sec. 505. From the funds appropriated in part 1 for historical
2 administration and services, \$25,000.00 shall be allocated to
3 support the operations of the Michigan freedom trail commission as
4 specified in section 4 of the Michigan freedom trail commission
5 act, 1998 PA 409, MCL 399.84. These funds shall be used to
6 reimburse commission members, to pay for necessary contractual
7 services of the commission, and to hire not more than 1.0 FTE
8 position in the department's Michigan historical center to support
9 commission operations.

10 Sec. 506. Proceeds in excess of costs incurred in the conduct
11 of auctions, sales, or transfers of artifacts no longer considered
12 suitable for the collections of the state historical museum are
13 appropriated to the department and may be expended upon receipt for
14 additional material for the collection.

15 LIBRARY OF MICHIGAN

16 Sec. 601. In order to receive subregional state aid as
17 appropriated in part 1 to the library of Michigan, a subregional
18 library's fiscal agency must agree to maintain local funding
19 support at the same level in the current fiscal year as in the
20 fiscal agency's preceding fiscal year. If a reduction in
21 expenditures equally affects all agencies in a local unit of
22 government that is the subregional library's fiscal agency, that
23 reduction shall not be interpreted as a reduction in local support
24 and shall not disqualify a subregional library from receiving state
25 aid under part 1. If a reduction in income affects a library
26 cooperative or district library that is a subregional library's



1 fiscal agency or a reduction in expenditures for the subregional
2 library's fiscal agency, a reduction in expenditures for the
3 subregional library shall not be interpreted as a reduction in
4 local support and shall not disqualify a subregional library from
5 receiving state aid under part 1.

6 Sec. 602. The funds appropriated in part 1 for a subregional
7 library shall not be released until a budget for that subregional
8 library has been approved by the department for expenditures for
9 library services directly serving the blind and persons with
10 disabilities.

11 Sec. 607. The funds appropriated in part 1 for book
12 distribution centers shall be equally distributed to the public
13 enrichment foundation and the Michigan friends of education.

